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New York

SUMMARY RECORD OF THE 5th MEETING

Chairman:	Mr. PIRIZ-BALLÓN	(Uruguay)
later:	Miss DIOP (Vice-Chairman)	(Senegal)
later:	Mr. PIRIZ-BALLÓN (Chairman)	(Uruguay)
later:	Mr. GUERRERO (Vice-Chairman)	(Philippines)

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The meeting was called to order at 3.10 p.m.

GENERAL DEBATE (continued)

1. Mr. LAWSON (Togo) said that, while the political, institutional and economic restructuring taking place in Eastern Europe should be welcomed, that process had largely contributed to a slump in the volume of world trade and a reduction in the world production of goods and services in 1991. The upheaval in Eastern Europe threatened to divert financial flows from the developing countries and to marginalize certain regions of the world. It was still not clear whether the end of the cold war would pose new obstacles to the North-South dialogue or would be a means of stimulating it.

2. The economic situation in Africa continued to be a cause for concern. Between 1960 and 1989, Africa's share in the world gross national product (GNP) had declined from 1.9 per cent to 1.2 per cent, and its share in world trade had fallen from 3.8 per cent to 1 per cent. Moreover, between 1986 and 1990, depressed commodity prices had cost the continent more than $US 50 billion. Africa's long-term prospects were just as bleak.

3. Efforts to establish a new world order should be based on the strengthening of international economic cooperation. All regions, including Africa, must be fully integrated into the world economy. Urgent measures should be taken to cancel or alleviate a substantial part of public and private debt, particularly the debt of the least developed countries (LDCs) and to seek durable solutions that both strengthened the capacity to repay and enhanced economic growth. It would also be desirable to convene, as soon as possible, an international conference on the financing of development.

4. The stagnation or decline in commodity prices continued to deprive the developing countries of the financial resources necessary for planning and financing development. A successful outcome of the Uruguay Round of multilateral trade negotiations was therefore essential. The negotiations should be conducted in a spirit of fairness, solidarity and cooperation in order to facilitate the adoption of measures for ensuring the progressive elimination of protectionism and the creation of a more open, free and non-discriminatory international market.

5. The restructuring and revitalization of the United Nations in the economic and social field, as well as the strengthening of international economic cooperation, should be based on respect for the principle of the sovereign equality of States, the prerogatives of the General Assembly, the promotion of political and economic dialogue and the enhancement of the Organization's efficiency, especially in the light of its broadened activities and increased volume of work. His delegation could not support the proposal to eliminate the Second and Third Committees of the General Assembly, which were important forums for political consultation and guidance in the economic and social field.

(Mr. Lawson, Togo)

6. The United Nations Conference on Environment and Development had laid solid foundations for a more integrated and dynamic approach to development. In implementing the decisions of the Conference, particular attention should be given to the mobilization of the financial resources needed to achieve the objectives of Agenda 21 and to establish the Intergovernmental Negotiating Committee for an international convention on desertification and the Commission on Sustainable Development.

7. In the light of the relative lack of progress in the North-South dialogue and the emergence of a unipolar world dominated by the North, South-South cooperation among developing countries was essential, and could be used to strengthen their negotiating power. Bolder action should be taken to achieve the objective of the collective autonomy of the developing countries, particularly in the priority areas identified in the report of the South Commission. South-South cooperation should be intensified through the use of all existing financing mechanisms, the progressive elimination of economic disparities among developing countries and projects that promoted regional and subregional economic integration.

8. The increasing number of LDCs was a negation of the principle of international solidarity and one of the most blatant failures of international economic cooperation. The implementation of the Programme of Action for the Least Developed Countries for the 1990s should improve the economic situation of those countries and prepare the way for their integration into the circle of prosperous nations.

9. The social dimension of development was an undeniable reality and public participation in national decision-making and management was an effective way of ensuring harmonious development as well as the rational use of human resources. That new reality implied a dynamic interrelationship between development, respect for human rights and the establishment of democratic institutions.

10. Under the United Nations Programme of Action for African Economic Recovery and Development, Africa had taken vigorous steps to promote regional and subregional cooperation and economic integration, intensify the process of democratization, strengthen respect for human rights and implement policies and strategies in the agricultural and rural development sectors designed to ensure the full integration of the rural economy into the national economy and to achieve food security and strengthen food self-sufficiency. In the light of the failure to achieve the objectives of the Programme of Action, the international community should provide Africa with the necessary assistance and support and should renew its commitments to the Programme.

11. Mr. OSVALD (Sweden), speaking on behalf of the five Nordic countries, said that, in its promotion of political, economic, social and environmental progress and stability, the United Nations was unique among international institutions. As part of the process of improving the Organization's

(Mr. Osvald, Sweden)

effectiveness and impact in the economic, social and related fields, it was necessary to establish clearer policy guidance and better coordination in the field, more distinct divisions of responsibilities, and arrangements that were better suited to governing the operational arm of the United Nations in those fields, especially in the light of growing needs and the increasing strain on available resources.

12. The Conference on Environment and Development had demonstrated the resolve of the international community to tackle urgent, complex and interdependent issues. The follow-up of Agenda 21 and other vital decisions of the Conference should prove that joint action within the United Nations could respond to the major challenges to the world's future. The General Assembly at its current session had the important responsibility of launching the follow-up to the Conference in a constructive and efficient way.

13. By restructuring and devising more flexible machinery, the United Nations Conference on Trade and Development (UNCTAD) could play a more effective role as an analyst and consensus-builder. As part of the process of revitalizing the United Nations in the economic and social field, consideration must be given to how to avoid duplicating the work done by UNCTAD, the General Assembly and the Economic and Social Council.

14. Preparations for the 1994 International Conference on Population and Development were currently under way. The time remaining before the Conference must be used as constructively as possible, with particular emphasis on popular participation and a close dialogue between national leaders and their constituencies. Such processes would in themselves be an important contribution to the national reports. In addition, commitment at a high political level was vital. Population questions were, above all, a dimension of development and should be treated accordingly. Such questions highlighted the role of women and their educational, social and economic advancement. The strong links between environment and population, as well as the ethical issue of reproductive choice, should be discussed at the Conference. It was also of utmost importance that resources should be made available to the United Nations system for the planning of the Conference.

15. In its resolution 46/182, the General Assembly agreed on important principles and guidelines for enhancing the response of the United Nations system to complex emergencies. The Assembly at its current session must continue to strengthen the Organization's capacity in that field, particularly in the light of the emergencies that had occurred in 1992.

16. External assistance, reform and restructuring of international cooperation were not sufficient guarantees for development. Appeals for international solidarity and a more equitable distribution of global wealth could be credible only if they were based on sound national policies. All Governments were responsible for all their citizens and their well-being, as well as for the economic development of their countries.

(Mr. Osvald, Sweden)

17. There was a growing consensus regarding the political and economic importance of investments in human resources and the interrelationship between economic growth and human development. People were both the goal and the vehicle of development. In that context, the Nordic countries underscored the crucial but often neglected role of women.

18. Strategies for growth would not be viable unless they were combined with explicit attention to social inequalities. The alleviation of poverty, strong environment and population policies and attention to basic human needs went hand in hand with overall good governance. Democracy, respect for human rights, transparency and accountability, as well as responsible Governments, were essential for ensuring more just and equitable societies. In many developing countries, grass-roots organizations contributed to the growth of pluralism and democracy. The dedicated and long-term work of non-governmental organizations were particularly important in that regard.

19. For many developing countries, foreign aid represented the most important source of external finance. Aid flows should therefore be increased and should concentrate on the poorest nations. The Nordic countries as a group had achieved, and some of them had considerably surpassed, the 0.7 per cent of gross national product (GNP) target for official development assistance (ODA). They welcomed the commitments made by some major donors at the United Nations Conference on Environment and Development to reach the 0.7 per cent target by the year 2000.

20. Developing countries lost a substantial amount of export income because of obstacles to trade in the international markets. The further opening of markets for exports from developing countries would go a long way to making desperately needed resources available for development, at least in middle-income countries. In that regard, a rapid and successful conclusion of the Uruguay Round was of the utmost importance.

21. Another major impediment to development was the debt burden. According to the latest available figures, developing countries as a group owed the developed countries, commercial banks and multilateral funding institutions a total of $US 1,300 billion. The Nordic countries had long urged the members of the Paris Club to contribute actively to a prompt agreement on additional debt relief for the poorest countries, and would welcome, on a case-by-case basis, relief of up to 80 per cent for the most affected poorest countries committed to adjustment and structural reforms.

22. Mr. ACHARYA (Nepal) said that the beginning of the International Development Strategy for the Fourth United Nations Development Decade had not been auspicious. In the first years of the current decade, world output had fallen by over 2 per cent, and there had been a real decline in per capita income in developing countries. Slow growth in the industrial countries, the virtual stagnation of the United States economy, the difficult economic transition of the countries of Central and Eastern Europe and the newly

(Mr. Acharya, Nepal)

independent States of the former Soviet Union, and the sluggish pace of growth in developing countries indicated that all was not well in the global economy.

23. The recession in the developed countries had a direct bearing on the least developed countries. The growth of the latter's GDP, about 2.5 per cent during 1990-1991, had led to a decline in per capita growth rates in many LDCs. While some LDCs were seriously affected by the considerably reduced flows of private remittances from nationals previously employed in the Gulf region, others had been affected by the disruption of international tourism during 1990-1991. They had also been adversely affected by unfavourable world commodity prices. Furthermore, several of such countries had been stricken by natural disasters that had caused heavy losses of human life and extensive damage to their infrastructures and agriculture. The situation had been further exacerbated by massive flows of refugees, resulting in extreme hardship to the local population, destabilization of the local ecology and rapid depletion of vegetation.

24. The world economy must be fully and effectively integrated. The international community's efforts to provide a supportive external environment for the domestic policies of the countries of Eastern Europe represented a positive development in that regard. The new specialized bank for long-term lending, debt rescheduling and debt forgiveness, improved market access, foreign direct investment and the transfer of technology were vital elements of the support thus provided. That was exactly the kind of support the developing countries had been seeking in their efforts to revitalize their economies.

25. The process of negative transfer of financial resources from the developing countries to the developed world had an adverse effect on the former's economic growth. The debt problem required a comprehensive solution, not only to relieve the burden of past borrowing but also to avoid problems in future borrowing. As one means of providing capital for the developing countries, the developed countries should fulfil the target for ODA that had been agreed 20 years earlier. Foreign direct investment was another useful source of capital. Multilateral institutions, such as the World Bank, the International Monetary Fund (IMF) and other regional development banks, would remain the developing countries' most important source of financing, and must thus be further strengthened and depoliticized.

26. The rise of protectionist measures in the developed countries at a time when the majority of developing countries were engaged in a process of trade liberalization was a great setback to the current international trade regime, and a successful conclusion of the Uruguay Round was thus essential.

27. In the context of restructuring the United Nations in order to enhance international cooperation for development, the role of the General Assembly and the Economic and Social Council should be further strengthened. There was an acute need to improve the relationship between the United Nations and the

(Mr. Acharya, Nepal)

specialized agencies, particularly international financial and trade institutions as well as the Organization's operational activities for development. In spite of various policies, programmes and initiatives, development activities in developing countries lacked adequate financing, and it was therefore of utmost importance to convene an international conference on the financing of development.

28. Sustainable economic development required corresponding environmental management and social and human development. Despite the lack of commitments, the Rio de Janeiro Earth Summit constituted a first step in that direction, and he hoped that Agenda 21 and the Conventions on Climate Change and Biological Diversity would be implemented and the High-level Commission on Sustainable Development established. Social, political and economic development must be centred on human beings, and would be furthered by the forthcoming Conferences on Human Rights (1993), Population (1994) and Social Development (1995). Particular efforts were being made in Nepal's current five-year plan to integrate social, human and environmental concerns, with special emphasis being placed on rural development.

29. For the past two and a half years Nepal had embarked on a broad programme of democratic reforms, including the adoption of a new Constitution and the democratic election of the central Government and local bodies. It needed support for the economic and social development objectives of its eighth five-year plan in order to strengthen that democratic process.

30. Miss Diop, Senegal, Vice-Chairman, took the Chair.

31. Mr. GHERMAN (Republic of Moldova) said that one year after independence, the Republic of Moldova was endeavouring to join in European construction and integrate itself into the world community. Most conflicts in the post-communist States were of political rather than ethnic origin. Unfortunately, strong economic pressures were being used to thwart the aspirations of the Republic of Moldova, which in its transition to a market system suffered from the lack of an efficient economic mechanism, structural deformations in its economy, a critical situation in its technological and material production base and a lack of investment. Its economy was highly dependent on the Commonwealth of Independent States (CIS) for markets, raw materials and energy, the most important partner being the Russian Federation. That fact had led to steep price rises, unreliable delivery of raw materials and energy, and the use of such dislocation as an instrument of political pressure. His country was keen to rationalize its economic links with the CIS countries, while at the same time integrating into the world economy.

32. The Republic of Moldova had suffered from an unprecedented drought, which had caused losses in agricultural production amounting to 6 billion roubles. Funds were therefore urgently needed from foreign sources for a special agricultural support programme. The total losses to the Moldovan economy as a

(Mr. Gherman, Republic of Moldova)

result of Russian pro-imperial, militarist interference were in excess of 12 billion. Health care and welfare continued to decline as unemployment rose. To overcome the difficult economic situation, the Government had planned to privatize 40-45 per cent of State property during 1993-1994, and the credit and tax systems would be reformed. Support would be given to an array of free market mechanisms in order to stimulate the economy and integrate it into the world economy on a sound legal and institutional basis. A number of international trade agreements had been signed with most-favoured-nation clauses. The Republic of Moldova hoped that the United Nations and its agencies would provide help, especially with training, consultancy, development policy and finance.

33. Mr. AMAZIANE (Morocco) welcomed the States which had recently joined the United Nations, paid homage to the victims of genocide in Bosnia and Herzegovina and expressed full support for the statement made by the representative of Pakistan on behalf of the Group of 77, as well as that made by the representative of Mauritania on behalf of the Arab Maghreb Union.

34. Recent developments in international politics, the end of the cold war and the reinforcement of democracy provided an historic opportunity for arms reduction and resolution of recent conflicts. Efforts must be concentrated on correcting underdevelopment, one of the root causes of instability. It was inadmissible that 15 per cent of the world population should control 80 per cent of the world's wealth, while 1.5 billion people lived in absolute poverty. Paradoxically just as the developing countries were liberalizing their trade under structural adjustment programmes, the developed countries were increasing protectionism, at a cost to the developing countries of 10 times the value of ODA. The principles laid down by the General Agreement on Tariffs and Trade (GATT) applied to only 7 per cent of international trade. It was therefore of the utmost importance to arrive at a positive and equitable conclusion to the Uruguay Round negotiations, and he appealed to the developed countries to resolve their differences in order to achieve an open and transparent world market.

35. Debt reduction for developing countries had been offset by new loans, leaving external debt at the same unacceptably high levels. He welcomed the recent improvement in the Toronto conditions for the poorest countries, which, however, did not go as far as the Trinidad proposals. The debt strategy in favor of middle-income developing countries had afforded some debt relief, but it needed to be better linked with new public and private financing and foreign investment in those countries. External debt siphoned off $50 billion annually from the developing countries, which were subject to real interest rates up to four times higher than those paid by developed countries.

36. In view of investment needs in Eastern Europe and the Gulf region, credit was expected to remain expensive. Direct foreign investment was heavily skewed towards the industrial countries, to the detriment of the deficit-laden developing countries. He therefore urged the convening of an international conference on development financing.

(Mr. Amaziane, Morocco)

37. In view of the grave current world recession, the industrial countries should apply the same adjustment discipline to themselves as they demanded from the developing countries. IMF should monitor the macroeconomic policies of the main industrial countries more closely in order for the monetary system to function more smoothly and adjustment costs to be shared more equitably. Coordination of macroeconomic policy should be expanded to include representatives of the South and East, in accordance with their importance in the world economy.

38. ODA, at $51 billion, was inadequate to the enormous development needs of the developing world, and represented only 0.35 per cent of the GNP of OECD member countries, half of the objective set in 1975. Furthermore, politically neutral multilateral assistance had declined in favour of bilateral assistance and its attendant conditionality. Only a quarter of multilateral technical assistance expenditure actually reached the developing countries, the rest being swallowed up by administrative and other expenses. Far too small a proportion of ODA went to human development problems such as health, drinking water, family planning and nutrition. ODA was therefore in need of far-reaching reform, and additional resources were necessary, which could be obtained by reducing military expenditure and protectionist subsidies. Conditions for the transfer of technology should be made more flexible, especially since serious environmental protection efforts could only be made given free access to ecological technologies on concessional and preferential terms.

39. Over the past decade, the African continent had become increasingly marginalized as a result of population growth, external debt, the fall in basic commodity prices, the degradation of the environment, drought and civil wars. The 1986 special session of the General Assembly on the critical situation in Africa had not led to adequate support for African economies. He called upon the developed countries to establish an ambitious programme of economic reconstruction for Africa, such as that being implemented in Central and Eastern Europe. The New Agenda for the Development of Africa in the 1990s contained in General Assembly resolution 46/151 should be a catalyst for such cooperation activities. Morocco devoted 95 per cent of its modest international cooperation budget to African countries. He reiterated his delegation's support for the establishment of an African diversification fund in order to make African exports less dependent on a small number of basic commodities.

40. On the eve of the third millennium, the United Nations was more then ever in demand to deal with international security, humanitarian assistance, the environment and development. However, its financial base had not expanded as rapidly as its activities. The Organization risked becoming a victim of its own popularity if it failed to secure the full financial support of its Members.

41. Mr. Piriz-Ballón, Uruguay, resumed the Chair.

42. Mrs. TALLAWY (Egypt) said that despite the emerging new world order, the world economic situation remained critical, particularly in Africa, which contained 32 of the least developed countries. One country in Eastern Europe had received $24 billion in aid; while Africa did not oppose the provision of assistance to Eastern Europe, it resented not receiving its fair share. Total production and income in the world had fallen for the first time since the Second World War. The external economic environment for development had deteriorated to the detriment of the developing countries, which laboured under the burden of excessive external debt, a severe contraction in development financing, historically low commodity prices and escalating protectionism, all of which constituted threats to international peace and security. Political progress and economic development were inseparable, and the international community must take concrete measures to address the root causes of underdevelopment. The international economic system should be restructured jointly by the developing and the developed countries, while respecting fully the right of all countries to choose their national priorities independently and to participate in the international economic decision-making process. The unprecedented magnitude of economic and social problems made it a matter of urgency to translate the declaration adopted at the eighteenth special session of the General Assembly into action. The North-South dialogue should be strengthened and pursued in a constructive, non-confrontational manner. A free, open and non-discriminatory trading system could provide an effective and viable basis for the promotion of equitable development and economic prosperity in all countries. It was important to prevent protectionist pressures from undermining the negotiating efforts of the Uruguay Round.

43. The United Nations Conference on Environment and Development had reshaped the notion of development. The Rio Declaration, Agenda 21, the Declaration on Forests, and the Conventions on the Climate Change and Biological Diversity were important landmarks on the road to sustainable development, which required that due attention be paid not only to environmental, but also to economic and social aspects. An environmentally sound planet was incompatible with a socially unjust world. She hoped that the "spirit of Rio" would continue to prevail as ways and means of implementing the conclusions of the Conference were discussed. Her delegation attached great importance to the Commission on Sustainable Development. Such development would require new and additional resources and the availability of technology to developing countries. Her delegation welcomed in particular the establishment of the Intergovernmental Negotiating Committee for the elaboration of an international convention to combat desertification, in particular in Africa. The Conference on Population and Development to be convened at Cairo in 1994 would be of great importance. Poverty, the environment and population could no longer be dealt with separately. Careful consideration should be given to the possibility of adjusting the timing and duration of the Second and Third Preparatory Committees to ensure adequate intergovernmental preparation for the Conference. It was also important to secure contributions to the Voluntary Trust Funds and to ensure the full participation of developing countries, in particular the least developed countries in the preparatory phase.

(Mrs. Tallawy, Egypt)

44. There was an increasing recognition that efforts must be made to enhance the capacity and the effectiveness of the United Nations system as an instrument of international cooperation for development, and the restructuring and revitalization of the United Nations in the economic and social fields had acquired special significance in that context. Several proposals for institutional reforms put forward during the high-level segment of the Economic and Social Council the previous June merited fuller consideration. First, her delegation welcomed any proposal conducive to democratizing the structure and maintaining the principle of "one country, one vote". General Assembly resolution 45/264 remained the basis for further action in that area. Secondly, the General Assembly should remain the supreme political body for consideration of development issues, with the role of the Economic and Social Council confined to coordination and to policy issues in development problems. Thirdly, the analytical and research capabilities of the United Nations should be strengthened, with concrete measures to that end including a new recruitment policy.

45. There was also an urgent need to establish a closer link, promote collaboration between the multilateral financial institutions, the United Nations, its programmes, and other specialized agencies. The expertise of the United Nations in socio-economic areas could have greater impact on the design and implementation of IMF and World Bank-supported adjustment and restructuring programmes, while the lending policies of the Bretton Woods institutions could reinforce United Nations efforts in the economic and social areas.

46. Mr. ZIARAN (Islamic Republic of Iran) said that, with world output growing by only 0.7 per cent in 1992, following the first global contraction in output in the post-war era in 1991, the world economic situation was not promising, and had hampered the recovery of developing country economies, as well as resulting in many uncertainties about future trends. To make matters worse, no real attempt had been made to rectify the problems of the international economy or to make it more responsive to the needs of all nations, and the gap between rich and poor nations had actually widened. Developing countries were thus more than ever in need of an increased flow of financial resources and transfer of technology. New initiatives must be launched to facilitate access by the developing countries to the financial resources of the Bretton Woods institutions.

47. Another area of concern was the high long-term level of real interest rates, combined with uncertainties regarding future trends in those rates, which placed numerous constraints on investment and growth in developing countries, especially those of the Gulf region that were striving to reconstruct economies devastated by two wars.

48. A third matter for concern was the unjust distribution of existing resources at the international level. Allocation of financial aid packages for sustainable development activities was often blatantly influenced by

(Mr. Ziaran, Islamic Republic of Iran)

political considerations. There was thus an urgent need for a revision of such approaches.

49. On a more positive note, the relaxation of East-West tensions meant that resources could now be diverted from military to civilian use, facilitating the provision of financial resources by the Bretton Woods institutions to support development activities. That model, once merely wishful thinking, could become a reality if advanced nations, particularly those that had been involved in the arms race, gave serious consideration to the long-term benefits of such a reallocation of resources.

50. Global markets played a crucial role in the process of development and economic growth. Currently, however, developing countries were often denied the opportunity to compete on an equal footing in areas such as labour-intensive manufacturing, where they had a comparative advantage. Major reforms were needed in world markets to bring about a more efficient and open system, reflecting the opening up of national markets and providing equal opportunities for all.

51. Unfortunately, any suggestion that the international environment was at least partially responsible for the third world's problems was rejected by proponents of the view that the real causes of poverty, economic stagnation, unemployment and developing countries' low share in world trade lay in those countries' national policies. The experience of developing countries that had experimented extensively with laissez-faire policies showed that the problems in fact stemmed not from assigning too prominent a role to the public sector, for example, but from the prevailing international economic environment. No one, of course, was suggesting that the international community could miraculously offset genuine shortcomings at national level. Nevertheless, a propitious world environment could clearly complement and boost national efforts by the developing nations to overcome their problems.

52. Turning to the outcome of the United Nations Conference on Environment and Development, he stressed that the General Assembly had a significant role to play in overseeing the fulfilment of the commitments entered into at Rio de Janeiro, in its capacity as the supreme decision-making body with regard not only to the implementation of Agenda 21, but also to its possible revision. However, the General Assembly could not work miracles: implementation of Agenda 21 depended to a great extent on the political will and commitment of all nations, particularly the developed countries. His delegation attached great importance to the establishment of the Commission on Sustainable Development and to the drafting of an international convention on desertification. Membership of the Commission should reflect the recent emergence of new States into the political arena. A revision of the system for allocation of seats to regional groups would thus be required.

53. Developing countries attempting to revive their economies after the stagnation of the 1980s now faced competition for financial resources from the

(Mr. Ziaran, Islamic Republic of Iran)

economies of Eastern Europe undergoing transition, and also from nations seeking to rebuild their economies after decades of conflict and civil war. The time was thus ripe to embark on preparations for an international conference on development financing. His delegation hoped that, mindful of the urgency of the issue, the negotiating parties would be able to agree during the current session on a preliminary framework for such a conference.

54. The triennial review of operational activities provided an important opportunity to review ways and means of promoting the efficiency of the United Nations system in that field. Initiatives should be taken with a view to increasing substantially the resources available for such activities, on an assured and stable basis.

55. Recent changes on the world scene, and the challenges they brought with them, had increased the need for international cooperation and accommodation. What was needed to reverse the current international economic situation was not new legislation or new mechanisms, but political will and firm commitment on the part of all nations to work towards a juster and more propitious global environment. Meanwhile, the commitments and guidelines embodied in the Declaration adopted at the eighteenth special session of the General Assembly and contained in the annex to resolution S-18/3 of 1 May 1990, the International Development Strategy for the Fourth United Nations Development Decade, the Cartagena Commitment of the eighth session of UNCTAD and Agenda 21 remained to be implemented.

56. Mr. RAKOTONAIVO (Madagascar) fully endorsed the views expressed by the representative of Pakistan on behalf of the Group of 77 regarding the major economic problems facing the world. In spite of pressing calls, the new spirit of cooperation that had characterized international political relations since the end of the cold war had not been accompanied by comparable trends in the sphere of international development cooperation. The world economic situation continued to be a matter for concern, with growth and development of third world countries at a standstill, increasing inequality and instability, and the impact of the development crisis threatening seriously to jeopardize the structural, political and economic reforms under way.

57. Nowhere had that economic situation had more devastating effects than in Africa. The elimination of poverty and participation by the entire population, including vulnerable groups such as women, young people and children, were key factors in development strategies and reform programmes in that continent. Those questions lay at the heart of the United Nations New Agenda for the Development in Africa in the 1990s, the implementation of which, in a framework of true partnership, was now a matter of extreme urgency. Conscious of its prime responsibility in that sphere, Africa intended to embark on that new form of cooperation on a basis, not of dependence or charity, but of the concepts of dignity and mutual advantage.

(Mr. Rakotonaivo, Madagascar)

58. Poverty could be eliminated only if economic growth was accelerated and sustained and radical solutions were found to the deep-rooted economic, political and social causes of underdevelopment. In that context, the problem of the developing countries' external debt merited particular attention, in view of its political dimension. The measures taken thus far must be strengthened and broadened so as to take account of growth objectives. The crucial need to relaunch growth and development called for the mobilization of adequate additional resources to respond to new factors and events, such as support for the democratic process, assistance to countries undergoing transition, measures to deal with the economic and humanitarian problems of countries devastated by conflicts, and application of the concept of people-oriented sustainable development with due regard to environmental imperatives. In that regard, his delegation stressed the need to achieve the ODA target of 0.7 per cent of GNP set more than 20 years previously, to increase in real terms the resources available under the tenth replenishment of International Development Association, and to increase the financial base of the World Bank and the regional development banks.

59. There was also an urgent need to convene an international conference on the financing of development. The General Assembly must define the agenda and objectives of such a conference during its current session. It was to be hoped that specific measures could also be recommended to ensure a just allocation of the peace dividend, resources which had hitherto been squandered or devoted to measures to integrate the economies of the countries of Central and Eastern Europe.

60. With regard to international trade, his delegation considered it of paramount importance to find solutions to the continuing problems of low commodity price levels and the further deterioration in the terms of trade, and to achieve a satisfactory outcome to the Uruguay Round.

61. At its current session, the Committee would be debating the question of strengthening the international mechanism for cooperation concerning operational activities for development. The debate devoted to that subject at the most recent session of the Economic and Social Council could serve as a useful basis for the Committee's own deliberations. With regard to the conceptual framework for the reforms envisaged in that sphere, his delegation continued to advocate respect for the rules and principles of neutrality, non-conditionality, universality, contributions to activities on a voluntary basis, freedom and responsibility of beneficiary countries in establishing their objectives and priorities, and preservation of the democratic nature of decision-taking mechanisms.

62. As a signatory of the three important instruments submitted to the United Nations Conference on Environment and Development, Madagascar attached the utmost importance to the implementation of Agenda 21. The creation of the Commission on Sustainable Development would be crucial to monitoring execution of the commitments set forth in that document. His delegation was convinced

(Mr. Rakotonaivo, Madagascar)

that, without the necessary financial resources and the establishment of institutional arrangements and appropriate transfer of technology, the final documents of the Conference would remain a dead letter.

63. Peace, security and development were clearly indissociable, as could be seen from the many examples throughout the world of economic distress accompanied by social disturbances. Madagascar thus welcomed the increased interest accorded by the United Nations to world economic problems. The central topic of debate was thus the strengthening of international cooperation for development. His delegation hoped that, at the current session, consensus would be reached on the various components of the restructuring and revitalization of the United Nations system currently under way. The proposals by the Group of 77 were based on a global concept of security and the principles of justice, equity and equal participation. Only by adhering to those principles would it be possible to achieve the goals sought by all, and in particular, the elimination of poverty.

64. Mr. MAIER (Deputy Director-General, International Labour Organisation) said that during the 1980s social policy and social justice had systematically been regarded as an antiquated concept and a misguided aim, respectively. Yet ideologues had failed to produce evidence that the alternatives - simplistic recipes such as "the invisible hand of the market" - could bring divergent interests into harmony so as to secure the aims set forth in Article 55 of the Charter of the United Nations. The trend towards restoring social issues to the agenda for development cooperation had begun when the 1989 edition of the World Economic Survey had reported the emergence of a new consensus on the need to see people as the principal resource and potential of a country and not as a burden; and had continued with the Declaration on International Economic Cooperation adopted at the eighteenth special session of the General Assembly and the International Development Strategy for the Fourth United Nations Development Decade. Against that background, statistics indicating that world per capita output had declined by over 2 per cent in 1991 hardly augured well for the fulfilment of the objectives of the Strategy. It was thus not surprising that a concerted global effort to invigorate growth and development on a sustained and sustainable basis had been identified as the first priority during the high-level segment of the most recent session of the Economic and Social Council, which had also expressed the fear that international development cooperation and the eradication of poverty were inextricably linked with the preservation of peace and security.

65. Recent decades had witnessed several stages in the process of globalization of the world economy. Following the creation of electronically linked global markets, the world was now in the process of creating truly integrated markets for traded goods and services, with the gradual emergence of regional economic blocs and painstaking efforts to abolish global impediments to trade. In that process, labour markets and social conditions had hitherto remained largely controlled by national laws and regulations. A third stage of globalization was now approaching, in which labour markets would - or should - become integrated and internationalized.

(Mr. Maier, ILO)

66. ILO had always insisted on the need to bring a social dimension into the process of economic reform and integration, thereby avoiding social distortions and making the process acceptable to the population as a whole. Any negative social consequences of the process of building a global economy must be taken into account, and mechanisms put in place to deal with them at local level. The quality of the work force and the social conditions of production would henceforth be increasingly important determinants of competitiveness and prosperity. International labour standards had a key role to play in that process and ILO's task was to help countries achieve economic development consistent with the ideals of social justice and respect for human dignity.

67. Links between the economic and social aspects of development were particularly important to bear in mind in the context of discussions on adjustment. Adjustment efforts would not succeed if they were dominated by purely economic considerations. Unemployment and social deprivation must not be regarded as the inevitable price of adjustment; nor could a healthy balance of payments and a stable currency be bought at the expense of increased hunger, malnutrition and unemployment. The challenge was to ensure that the adjustment process should be socially and politically acceptable and just. In other words, the conditionality linked with international financial assistance must be complemented by a firm national and international commitment to policies of social protection and advancement as outlined in ILO's basic labour standards.

68. The validity of social policy was increasingly being endorsed by international financial institutions, and the renewed emphasis on that subject was also reflected in the widespread support for the convening of a social summit. The ILO was strongly committed to securing agreement on key selected actions centred on the alleviation and reduction of poverty and the promotion of policies that enhanced employment opportunities, improved human resources and fostered social cohesion.

69. Recent financial turmoils had once more underlined the urgent need for coherent and consistent regional global policies and mechanisms to govern international economic and financial relations. The industrialized world and the international community as a whole remained committed to assisting developing countries in their efforts for structural and social improvement, and all Governments and international institutions were determined to combat unacceptably high levels of unemployment. However, prevailing conditions did not permit equitable development and high levels of employment, and neither in the developing nor in the industrialized countries were the prospects of achieving high rates of job creation very bright, and in the latter, in particular, the problem was one of insufficient quality, as well as insufficient quantity, of jobs.

70. Any strategy aimed at developing efficient and equitable global labour markets and an optimal allocation of the global labour force must be based on

(Mr. Maier, ILO)

the fact that competitiveness in itself was useless without sufficient demand for goods and services. Every effort must therefore be made to use the opportunities offered by open exchange in an increasingly internationalized trading system to generate demand and income by creating jobs in poverty-stricken areas.

71. Mr. Guerrero, Philippines, Vice-Chairman, took the Chair.

72. Mr. KABIR (Bangladesh) said that while his country was encouraged by the increased interest in the use of collective security measures to maintain international peace and security and by the increased emphasis on development-related issues, it was also concerned about the prolonged stagnation in the world economy and the fact that the extremely difficult global economic environment marked, inter alia, by protectionism, insufficient capital flows, shrinking markets and restrictions on transfers of technology, continued to frustrate the brave efforts of developing countries to alleviate poverty, develop human resources and attain sustainable development.

73. Bangladesh strongly believed that the expansion of trade was an important means of reactivating growth and development in the developing countries, and was perturbed at the lack of progress being made in the Uruguay Round. Those negotiations should be concluded as rapidly as possible, with provision for special concessions to the least developed countries. His delegation attached great importance to the effective implementation of the Cartagena commitment, since it believed that a strengthened UNCTAD was of crucial importance to the economic prosperity of all countries. It also called on the developed countries to meet the internationally agreed ODA target of 0.7 per cent of GNP, and wished to underscore the need for increased foreign investment in the developing countries, in which transnational corporations could play a vital role.

74. It was to be hoped that the international community would be able to find a durable solution to the huge debt burden of the developing countries and the critical problem of servicing such debt, and his delegation supported the proposal on the establishment of an Advisory Committee on debt and development.

75. The current international monetary system required structural reform to enable it to address the demands of the present world situation. There was also a crucial need for additional international liquidity and development finance particularly for the developing countries. They would also benefit from more meaningful cooperation between the United Nations and the Bretton Woods institutions.

76. Although world food production statistics had not been encouraging in recent years, Bangladesh had been able to achieve significant success in food production, and believed that national food strategies remained a very useful means of enhancing food production, self-reliance in food and better access to food for all.

(Mr. Kabir, Bangladesh)

77. His delegation attached great importance to the relationship between population, development and the environment, and felt that concerted efforts were required to check population growth in many developing countries. Accordingly, it welcomed the convening of the International Conference on Population and Development in 1994.

78. The responsibility for maintaining the momentum generated by the United Nations Conference on Environment and Development and for translating its objectives into reality must be shared by both the developed and developing countries, in order to safeguard the common future and survival of mankind. His delegation, therefore supported the establishment of the Commission on Sustainable Development.

79. With respect to the restructuring and revitalization of the United Nations in the economic, social and related fields, any reform measure should be based on the fundamental principles of sovereign equality, democracy and transparency.

80. On the triennial review of operational activities, his delegation fully agreed that a more coordinated approach was needed to operational activities at the country level. The question must be dealt with in a comprehensive manner, since such activities must be provided with adequate financial resources on a sustained and predictable basis.

81. Over the years, the situation of the least developed countries had worsened. The international community should meet its commitments under the Programme of Action for those countries for the 1990s, since without enhanced and concessional resource flows and increased market access, their development efforts would continue to be frustrated.

82. The capability of developing countries to respond to emergencies, including natural and man-made disasters, must be enhanced and in that respect the establishment of the Office of the Humanitarian Emergency Relief Coordinator was a welcome step in efforts to deal with such emergencies.

83. In conclusion, he urged the adoption of a global development agenda spelling out a new course of action to reactivate economic growth and development. As mankind's future was tied together, collective efforts based on mutual trust and support were imperative.

84. Mr. TRINH XUAN LANG (Viet Nam) said that it was disappointing to note that for the first time since the Second World War, global production and income had actually fell in 1991 and recovery was likely to be unusually weak. With a few exceptions, most developing countries currently faced bleaker prospects for revitalized growth and development as their painful adjustments had been making little headway, largely because of the adverse international economic environment.

(Mr. Trinh Xuan Lang, Viet Nam)

85. The fact that the developing countries' reform efforts aimed at fostering growth and development continued to be frustrated by the persistent inequities in international economic relations was a disgrace to the concept of global partnership and to the recognition of the realities of interdependence in the modern world. In that connection, it should be re-emphasized that creating an international economic environment conducive to the endeavours of developing countries was mainly the responsibility, both moral and practical, of the industrialized countries. Priority should be given to such urgent issues as increasing financial resource flows to the developing countries, lifting discriminatory restrictions and barriers against developing countries' exports to the markets of industrialized countries and removing obstacles to the transfer of technologies needed for environmentally sustainable development programmes in the developing countries.

86. His delegation shared the view that with the dramatic and profound changes in the political and economic scene over the past few years, the United Nations now had an unprecedented opportunity to discharge effectively the role assigned to it by the Charter in the vital area of economic and social development. It was indeed high time for the United Nations system to address seriously the all-important challenge of meeting the targets and objectives already agreed upon in various consensus resolutions and commitments. It was in that context that the question of restructuring and revitalization of the United Nations system in the economic, social and related fields should be actively pursued.

87. But it was not only the United Nations system that needed reforms and restructuring. His country had initiated, since 1987, policies and measures of economic reform and all-round renewal. One of the most important initial achievements had been attained in the agricultural sector where Viet Nam had moved from being a chronic importer of rice to an exporter for the fourth consecutive year in 1992. The boosting of trade and exports had been another notable achievement and in that connection, his country assigned top priority to expanding relations of cooperation and broadening trade with all countries and economic organizations. It therefore welcomed the fact that the dynamic growth of cooperation for development and prosperity in South-East Asia, as well as in the larger region of Asia and the Pacific, had gained momentum during 1991.

The meeting rose at 6 p.m.